



## SA MONEY MARKET REPORT

05 August 2022

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

| SPOT RATES               | 22-Jul | 29-Jul | 05-Aug | Change |
|--------------------------|--------|--------|--------|--------|
| Repo Rate                | 5.50%  | 5.50%  | 5.50%  | 0.00%  |
| Treasury Bill 91 days(D) | 5.89%  | 5.81%  | 5.78%  | -0.03% |
| Treasury Bill 91 days(Y) | 5.97%  | 5.90%  | 5.87%  | -0.03% |
| Treasury Bill 182days(D) | 6.63%  | 6.66%  | 6.68%  | 0.02%  |
| Treasury Bill 182days(Y) | 6.85%  | 6.89%  | 6.91%  | 0.02%  |
| Treasury Bill 273days(D) | 6.99%  | 6.99%  | 6.98%  | -0.01% |
| Treasury Bill 273days(Y) | 7.38%  | 7.38%  | 7.37%  | -0.01% |
| Treasury Bill 364days(Y) | 7.66%  | 7.67%  | 7.63%  | -0.04% |
| 3 Month NCD              | 5.65%  | 5.70%  | 5.70%  | 0.00%  |
| 6 Month NCD              | 6.55%  | 6.58%  | 6.60%  | 0.03%  |
| 9 Month NCD              | 7.23%  | 7.20%  | 7.18%  | -0.03% |
| 12 Month NCD             | 7.80%  | 7.68%  | 7.65%  | -0.03% |
| 18 Month NCD (YTM)       | 8.15%  | 7.86%  | 7.84%  | -0.02% |
| 24 Month NCD (YTM)       | 8.45%  | 8.09%  | 8.04%  | -0.05% |
| 36 Month NCD (YTM)       | 8.75%  | 8.37%  | 8.28%  | -0.09% |
| R2023 (YTM)              | 4.97%  | 4.97%  | 4.97%  | 0.000% |

| MONEY MARKET RATES (NACQ) | 22-Jul | 29-Jul | 05-Aug | Change |
|---------------------------|--------|--------|--------|--------|
| 3 Month NCD               | 5.65%  | 5.70%  | 5.70%  | 0.00%  |
| 6 Month NCD               | 6.39%  | 6.42%  | 6.44%  | 0.02%  |
| 9 Month NCD               | 7.04%  | 7.01%  | 6.99%  | -0.02% |
| 12 Month NCD              | 7.58%  | 7.46%  | 7.44%  | -0.02% |
| 18 Month NCD              | 7.91%  | 7.64%  | 7.62%  | -0.02% |
| 24 Month NCD              | 8.19%  | 7.86%  | 7.81%  | -0.05% |
| 36 Month NCD              | 8.48%  | 8.12%  | 8.03%  | -0.08% |
| R 2 023                   | 4.97%  | 4.97%  | 4.97%  | 0.000% |

| MONEY MARKET LIQUIDITY      | 22-Jul | 29-Jul | 05-Aug | Change |
|-----------------------------|--------|--------|--------|--------|
| Shortage (Rm)               | 9050   | 11000  | 17000  | 6000   |
| Notes (Rm)                  | 159221 | 165141 | 171191 | 6050   |
| Reverse Repo (Rm)           | 0      | 0      | 0      | 0      |
| Debentures (Rm)             | 0      | 0      | 0      | 0      |
| Liquidity Requirements (Rm) | -1090  | 1338   | -10591 | -11929 |

#### 2. JIBAR RATES (Nominal Terms)

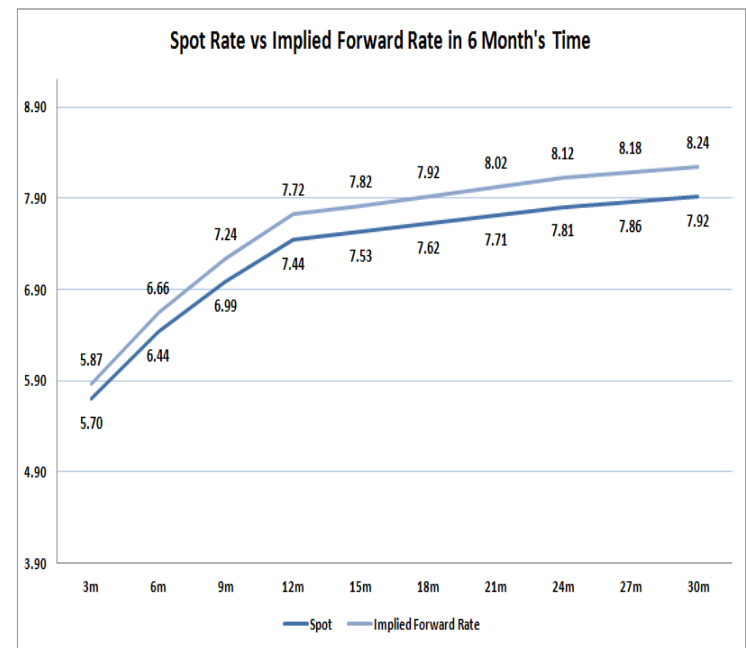
| JIBAR (Nominal Terms) | 22-Jul | 29-Jul | 05-Aug | Change |
|-----------------------|--------|--------|--------|--------|
| 1 Month               | 4.94%  | 5.58%  | 5.58%  | 0.01%  |
| 3 Month               | 5.08%  | 5.71%  | 5.73%  | 0.02%  |
| 6 Month               | 6.33%  | 6.63%  | 6.66%  | 0.03%  |
| 9 Month               | 7.03%  | 7.28%  | 7.29%  | 0.02%  |
| 12 Month              | 7.64%  | 7.78%  | 7.78%  | 0.00%  |

#### 3. CURRENT AND FUTURE YIELD CURVES (NACQ)

In the graph below the implied forward rates in six months' time is plotted opposite the current spot rates for the corresponding number of months. The implied forward rates are derived from a break-even calculation approach.

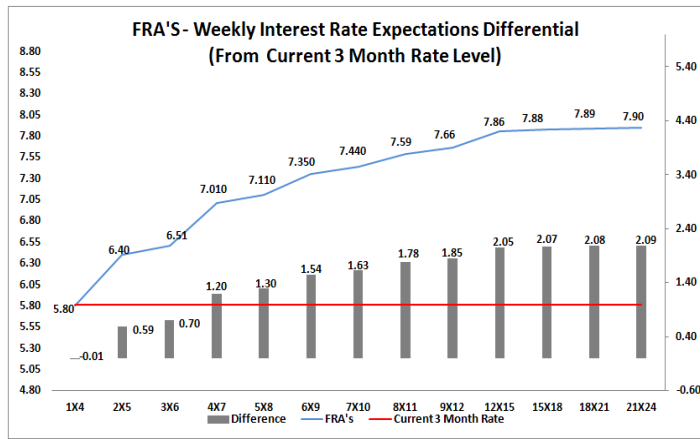
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.72% and 7.92% respectively in six months time.



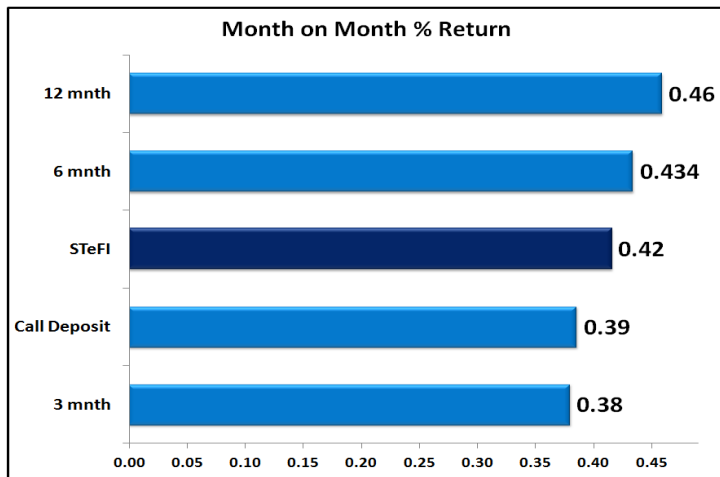
#### 4. FRA RATES (NACQ)

| FRA's | 22-Jul | 29-Jul | 05-Aug | Change |
|-------|--------|--------|--------|--------|
| 1x4   | 5.66%  | 5.81%  | 5.80%  | -0.01% |
| 3x6   | 6.39%  | 6.53%  | 6.51%  | -0.02% |
| 6x9   | 7.29%  | 7.39%  | 7.35%  | -0.04% |
| 9x12  | 7.93%  | 7.76%  | 7.66%  | -0.10% |
| 12x15 | 8.27%  | 7.99%  | 7.86%  | -0.13% |
| 15x18 | 8.36%  | 8.03%  | 7.88%  | -0.15% |
| 18x21 | 8.43%  | 8.05%  | 7.89%  | -0.16% |
| 21x24 | 8.50%  | 8.07%  | 7.90%  | -0.17% |
| 24x27 | 8.57%  | 8.09%  | 7.91%  | -0.18% |
| 27x30 | 8.64%  | 8.11%  | 7.92%  | -0.19% |

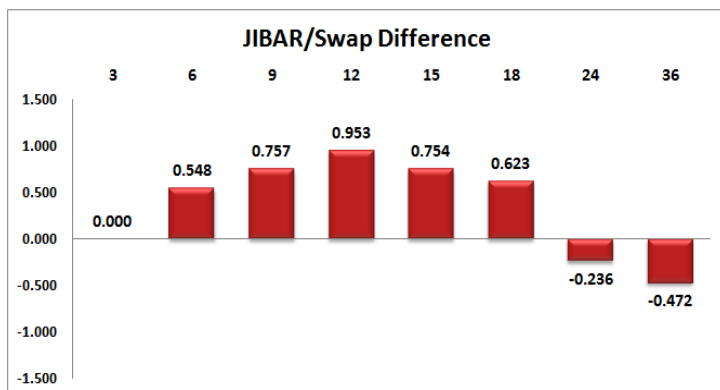
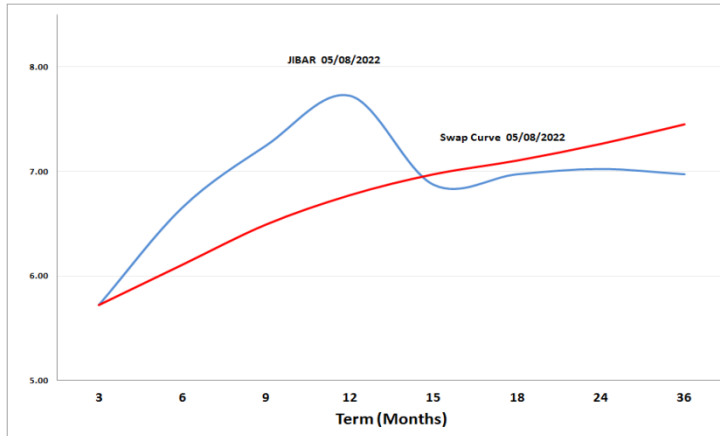


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.42% with the best return 0.46% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

| SARB DEBENTURES        |          |          |          |
|------------------------|----------|----------|----------|
|                        | Received | Allotted | Av. Rate |
| 7 Days                 | 0        | 0        | 0.000%   |
| 14 Days                | 0        | 0        | 0.000%   |
| 28 Days                | 0        | 0        | 0.000%   |
| 56 Days                | 0        | 0        | 0.000%   |
| LONG TERM REVERSE REPO |          |          |          |
| 14Days                 |          |          |          |
|                        | Allotted | Av. Rate |          |
| 56 Days                |          |          |          |
|                        | Allotted | Av. Rate |          |
| TREASURY BILLS         |          |          |          |
|                        | Received | Allotted | Av. Rate |
| 91 Days                | R5039m   | R1000m   | 5.78%    |
| 182 Days               | R6993m   | R2700m   | 6.68%    |
| 273 Days               | R9105m   | R3800m   | 6.98%    |

## 8. THE WEEK AHEAD

| Date      | Time     | Country | Event                                 | Month  | Previous  | Consensus | Forecast |
|-----------|----------|---------|---------------------------------------|--------|-----------|-----------|----------|
| 08-Aug-22 | 01:50:00 | Japan   | Current Account JUN                   | Jun'22 | ¥128.4B   | ¥-703.8B  | ¥195B    |
|           | 01:50:00 | Japan   | Bank Lending YoY JUL                  | Jul'22 | 1.30%     |           | 0.90%    |
|           | 17:30:00 | US      | 3-Month Bill Auction                  | Jul'22 | 2.49%     |           |          |
| 09-Aug-22 | 01:01:00 | UK      | BRC Retail Sales Monitor YoY JUL      | Jul'22 | -1.30%    |           |          |
|           | 12:00:00 | US      | NFIB Business Optimism Index JUL      | Jul'22 | 89.5      |           | 88       |
|           | 14:30:00 | US      | Unit Labour Costs QoQ Prel Q2         | Q2     | 12.60%    |           | 10.00%   |
|           | 14:30:00 | US      | Nonfarm Productivity QoQ Prel Q2      | Q2     | -7.30%    | -4.50%    | -5.00%   |
|           | 14:55:00 | US      | Redbook YoY 06/AUG                    | Aug'22 | 15.50%    |           |          |
|           | 17:00:00 | US      | Consumer Inflation Expectations JUL   | Jul'22 | 6.80%     |           | 6.70%    |
|           | 22:30:00 | US      | API Crude Oil Stock Change 05/AUG     | Aug'22 | 2.165M    |           |          |
| 10-Aug-22 | 01:50:00 | Japan   | PPI YoY JUL                           | Jul'22 | 9.20%     | 8.40%     | 8.70%    |
|           | 03:30:00 | China   | Inflation Rate YoY JUL                | Jul'22 | 2.50%     |           | 2.50%    |
|           | 03:30:00 | China   | PPI YoY JUL                           | Jul'22 | 6.10%     |           | 5.90%    |
|           | 08:00:00 | Germany | Inflation Rate YoY Final JUL          | Jul'22 | 7.60%     | 7.50%     | 7.50%    |
|           | 11:30:00 | SA      | SACCI Business Confidence JUN         | Jun'22 | 89.3      |           | 87       |
|           | 11:30:00 | SA      | SACCI Business Confidence JUL         | Jul'22 |           |           |          |
|           | 13:00:00 | US      | MBA 30-Year Mortgage Rate 05/AUG      | Aug'22 | 5.43%     |           |          |
|           | 14:30:00 | US      | Core Inflation Rate YoY JUL           | Jul'22 | 5.90%     | 6.10%     | 5.90%    |
|           | 14:30:00 | US      | Inflation Rate YoY JUL                | Jul'22 | 9.10%     | 8.90%     | 9.10%    |
|           | 14:30:00 | US      | CPI JUL                               | Jul'22 | 296.311   |           | 297.8    |
|           | 20:00:00 | US      | Monthly Budget Statement JUL          | Jul'22 | \$-89B    |           | \$-101B  |
| 11-Aug-22 | 11:30:00 | SA      | Gold Production YoY JUN               | Jun'22 | -28.30%   |           |          |
|           | 11:30:00 | SA      | Mining Production YoY JUN             | Jun'22 | -7.80%    |           |          |
|           | 11:30:00 | SA      | Mining Production MoM JUN             | Jun'22 | 0.70%     |           |          |
|           | 13:00:00 | SA      | Manufacturing Production YoY JUN      | Jun'22 | -2.30%    |           |          |
|           | 13:00:00 | SA      | Manufacturing Production MoM JUN      | Jun'22 | -0.20%    |           |          |
|           | 14:30:00 | US      | PPI MoM JUL                           | Jul'22 | 1.10%     |           | 0.80%    |
|           | 14:30:00 | US      | Core PPI MoM JUL                      | Jul'22 | 0.40%     |           | 0.10%    |
|           | 14:30:00 | US      | Initial Jobless Claims 06/AUG         | Aug'22 |           |           | 258K     |
|           | 14:30:00 | US      | Continuing Jobless Claims 30/JUL      | Jul'22 |           |           | 1363K    |
|           | 14:30:00 | US      | Jobless Claims 4-week Average 06/AUG  | Aug'22 |           |           | 246K     |
|           | 14:30:00 | US      | Core PPI YoY JUL                      | Jul'22 | 8.20%     |           | 8.10%    |
|           | 14:30:00 | US      | PPI YoY JUL                           | Jul'22 | 11.30%    | 10.60%    | 10.90%   |
|           | 16:00:00 | Germany | Current Account JUN                   | Jun'22 | €2.5B     |           |          |
|           |          | China   | M2 Money Supply YoY JUL               | Jul'22 | 11.40%    |           | 11.30%   |
| 12-Aug-22 | 01:50:00 | Japan   | Foreign Bond Investment 06/AUG        | Aug'22 |           |           |          |
|           | 01:50:00 | Japan   | Stock Investment by Foreigners 06/AUG | Aug'22 |           |           |          |
|           | 08:00:00 | UK      | GDP Growth Rate QoQ Prel Q2           | Q2     | 0.80%     | -0.20%    | 0.10%    |
|           | 08:00:00 | UK      | GDP Growth Rate YoY Prel Q2           | Q2     | 8.70%     | 2.80%     |          |
|           | 08:00:00 | UK      | GDP MoM JUN                           | Jun'22 | 0.50%     | -1.20%    | -0.30%   |
|           | 08:00:00 | UK      | Business Investment QoQ Prel Q2       | Q2     | -0.60%    |           |          |
|           | 08:00:00 | UK      | Construction Output YoY JUN           | Jun'22 | 4.80%     |           | 1.30%    |
|           | 08:00:00 | UK      | Goods Trade Balance JUN               | Jun'22 | £-21.445B |           |          |
|           | 08:00:00 | UK      | Industrial Production YoY JUN         | Jun'22 | 1.40%     |           |          |
|           | 08:00:00 | UK      | Balance of Trade JUN                  | Jun'22 | £-9.747B  |           | £ -0.6B  |
|           | 08:00:00 | UK      | GDP 3-Month Avg JUN                   | Jun'22 | 0.40%     |           | 0.00%    |
|           | 08:00:00 | UK      | Manufacturing Production YoY JUN      | Jun'22 | 2.30%     |           |          |
|           | 08:00:00 | UK      | Construction Orders YoY Q2            | Q2     | 13.40%    |           | -88.00%  |
|           | 08:00:00 | UK      | Business Investment YoY Prel Q2       | Q2     | 8.30%     |           |          |
|           | 08:00:00 | UK      | GDP YoY JUN                           | Jun'22 |           |           | 2.30%    |
|           | 11:00:00 | EU      | Industrial Production YoY JUN         | Jun'22 | 1.60%     |           | 1.80%    |
|           | 14:30:00 | US      | Export Prices YoY JUL                 | Jul'22 | 18.20%    |           | 16.80%   |
|           | 14:30:00 | US      | Import Prices YoY JUL                 | Jul'22 | 10.70%    |           | 8.80%    |

| Major Central Banks Rate Decisions |              |             |                       |
|------------------------------------|--------------|-------------|-----------------------|
| Central Bank                       | Next Meeting | Last Change | Current Interest Rate |
| European Central Bank              | 08-Sep-22    | 21-Jul-22   | 0.50%                 |
| Bank of Japan                      | 22-Sep-22    | 29-Jan-16   | -0.10%                |
| Bank of England                    | 15-Sep-22    | 04-Aug-22   | 1.75%                 |
| Federal Reserve                    | 21-Sep-22    | 27-Jul-22   | 2.50%                 |
| SARB                               | 22-Sep-22    | 21-Jul-22   | 5.50%                 |